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RHEHNSC/NSC WASHDC
RUEHVEN/USMISSION USOSCE 2427
RHMFIUU/CDR USCENCOM MACDILL AFB FL
RUEAIIA/CIA WASHDC
RHEFDIA/DIA WASHDC
RUEKJCS/JOINT STAFF WASHDC
RUEKJCS/SECDEF WASHDC
RUEHRC/DEPT OF AGRICULTURE WASHDC

UNCLAS SECTION 01 OF 02 ASHGABAT 000495

SIPDIS

SENSITIVE

SIPDIS

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SUBJECT: TURKMENISTAN: AHAL PROVINCE FARMERS EKE OUT A PROFIT
DESPITE STATE CONTROLS

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11. (U) Sensitive but unclassified. Not for public Internet.

12. (SBU) SUMMARY: Private farmers in Ahal province are chafing under state controls and regulations that mandate they dedicate much of their acreage to certain crops rather than to crops of their own choosing. They consistently tell us they want a less restrictive agricultural policy. Meanwhile, the construction and improvements showered on President Berdimuhamedov's hometown are now being extended to other nearby villages. END SUMMARY.

13. (SBU) Visiting cities in Ahal province to the west of Ashgabat, PAO visited a USAID, Winrock International-sponsored greenhouse in the village of Gorjev, not far from President Berdimuhamedov's home town of Babarab. A discussion with the greenhouse director, who also conducts bi-monthly seminars for area farmers, revealed much about the ability of farmers to earn a profit despite the conditions dictated under leasing of state-owned farmland.

GORJEW VILLAGE GETTING NEW STREETS

14. (SBU) All major streets in Gorjev village were being prepared for a full-scale paving project. Like nearby Babarab, large curbside blocks had been installed and dirt/gravel layering had been provided for the eventual asphalt layer of street. While it was widely expected that Babarab would undergo major improvements, that effort now extends to the surrounding area as well.

GREENHOUSE MORE PROFITABLE THAN A STATE-RUN HECTARE

15. (SBU) The greenhouse, a rather ordinary steel and plastic sheeting structure only extends about 17 by 26 meters and has healthy tomato vines neatly organized throughout the interior. According to the director, the prices of tomatoes and other vegetables make such farming highly profitable compared to cotton and wheat production which is controlled by the state. He stated that his small greenhouse is more profitable than any hectare of

cotton or wheat based on the state prices for those two crops.

THE BURDEN ON PRIVATE FARMERS

¶6. (SBU) Based on feedback from private farmers during the regular seminars, it's clear that most believe they could produce and earn much, much more without state controls hindering them. With all land owned by the state, private farmers lease plots in arrangements that require them to dedicate large percentages of their acreage to cotton or wheat. While the precise arrangement may vary from district to district, a typical arrangement is that a private farmer might grow 4 hectares of cotton or wheat for every 1 hectare used for his own crop choice. Despite this heavy burden on crop selection, many are successfully producing more profitable vegetables for local markets and export.

¶7. (SBU) Using the example of grapes, the greenhouse director explained how Ahal province farmers can produce high quality sweet grapes that could be sold locally and exported at a large profit. Grape cultivation would require less water, and require minimal use of imported fertilizers and other expensive inputs when compared to state-directed cotton and wheat production. Although the state has significantly raised the prices paid for cotton and wheat, private farmers at present can only wish for a less restrictive agricultural policy which would enable them to grow lower cost crops and yield a greater profit.

¶8. (SBU) COMMENT: As we travel around Turkmenistan, we increasingly hear from farmers their desire for agricultural reform. They know that if they could make their own decisions regarding crop choice, they would be more productive and would earn a greater profit. It is unclear if Turkmenistani officials are listening as closely to the farmers. END COMMENT.

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